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# Investor Doubts CIA Responsibility

By Charles Memminger  
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**H**UGH Fraser doesn't buy the argument that the CIA is somehow responsible for the \$50,000 he lost by investing in Bishop, Baldwin, Rewald, Dillingham & Wong even though he would really like to.

"I definitely hope there is (CIA involvement)," said Fraser. "And I hope that Uncle Sam will write out a check for \$17 million and pay off all the investors. But I'm not holding my breath."

Fraser thinks Ronald Rewald "is accountable" for the money investors placed with his company.

It was Fraser who led a small group of investors to federal court last summer and successfully forced Rewald's company into bankruptcy. He also was the first person to file a criminal theft complaint against Rewald, which led to Rewald's arrest. Fraser was convinced then that the investors had been taken in an investment scam and he still feels that way.

"I do think now that it has been a swindle from the beginning," he said. "It looks to me, as (U.S. Federal Judge Martin) Pence said, that it was a Ponzi scheme and nothing but a swindle. I don't see anything to the contrary. And I know a lot of investors don't see anything to the contrary. There are people who have been living from hand to mouth ever since."

**FRASER ALSO DISAGREES** with Rewald's contention, as disclosed in a recent interview, that it was panic by a small group of investors that led to the collapse of the company.

"The only one who panicked was Rewald. He was the one in intensive care with his arms all bandaged," Fraser said. "He said he had attempted suicide because of pressures brought down on him. I think that is panic. He caused the downfall, nobody but himself."

Fraser, an insurance company executive who works in a building just across the street from where Rewald's offices were, said that if Rewald had not tried to kill himself, Fraser might not have pursued the bankruptcy or filed the criminal complaint.

"I could talk to nobody," he said. "Sunny Wong (company president) was gone. Everybody was gone. Nobody was left to talk to. Rewald was under guard up at the hospital. So he brought the downfall. And when (authorities) looked into (the company) it was a big charade."



Hugh Fraser

TIME ONLY

**FRASER SAID** A LONGTIME friend and investment counselor who was associated with Rewald persuaded him to invest his money in the company in 1982. After getting a promised 50 percent return on his money within six months, he met Rewald and was convinced to invest more. He said he found Rewald "personable, knowledgeable, smooth and pleasant" even though Rewald did not outline clearly how the money was actually going to be invested.

"He said they had large money deals, that they moved money in and out," Fraser said. "But he said 'We don't know when the next one is coming up but we've got a lot of big money and we can go in and out. Your money is always guaranteed and you can get it whenever you want.' I didn't think he was a fast talker or a suede-shoed salesman."

He said Rewald did not mention the CIA although Fraser did notice a plaque on the office wall with a CIA logo on it.

Nevertheless, Fraser does not think the CIA is responsible for investors' money.

"His CIA involvement, to me, is another shibai," Fraser said. "He's got a large ego and he liked to be associated with movie personalities, like (Jack) Lord. I think he has always been on this ego trip... the football player bit, the polo players... I think maybe a retired CIA person got involved (in the company) and (Rewald) was able to put that in his mind and make it bigger and bigger. I would like to be proven wrong."

Despite losing his money, Fraser said he is not angry at Rewald.

"I have no animosity against the guy. I don't want to punch him out or anything like that. This is business. I want to get my money back. I don't want to see him wiped out or anything," Fraser said. "I think he did a pretty hard thing to a lot of people. I think he took a lot of money from a lot of people who are really destitute now."